AMENDMENTS TO THE SPECIFICATION:

Please replace the paragraph beginning on page 6, line 19, with the following amended paragraph:

A standard welding wire drum type package is shown in FIGURES 1 and 2 wherein wire W is stored in and paid out of cylindrical drum 10 having a bottom 12, a top 14 and an inside diameter 16. In accordance with this type of drum it is common practice to use a cylindrical cardboard core 20 having an outer diameter 22. Inside surface 16 and outside surface 22 are cylindrical and concentric with central axis a of drum 10. At the welding facility, the top or lid of drum 10 (not shown) is removed and replaced with a feeding hat 30 including an upper grommet 32 communicated with a standard feed tube 34. Wire W is pulled from drum 10 during the welding operation. Package A is loaded at the wire manufacturing facility by being looped around core 20 to define a body of welding wire having a top surface 40, an outer cylindrical surface 42 against surface 16 and an inner cylindrical surface 44 against or close to surface 22. In this manner, a central vertically extending bore 46 is concentric with axis a and around core 20. In some instances, the core is not used, but center bore 46 is provided in the wire looping operation. The wire is looped in a manner that has a cast to facilitate payout with a minimum of tangles. A retainer ring is used in drum 10 to prevent tangles as wire W is pulled from the body of wire. The present invention is a retainer ring R cut from a flexible permanent magnet sheet having a top surface 60 and a bottom surface 62. The sheet is cut into a shape defining an outer periphery 64 and an inner periphery 66. As shown in FIGURES 1 and 2 ring R is spaced slightly inward of surface 16 and is not quite as small as the circumference of surface 22. Essentially, the ring R will fit within drum 10 and allow a gap between

periphery 66 and surface 22 so wire W can be drawn from the top of the wire body and from under the retainer ring. This payout action is illustrated in FIGURE 3. In practice, the sheet from which ring R is formed is purchased from Flexmag Inc. in Marietta, Ohio. As shown in FIGURE 4, the thickness b of retainer ring is preferably 1/16 of an inch. The thickness can be adjusted generally between about 0.01-0.10 inches. The preferred sheet is made from ferrite particles in a non-magnetic binder. The ferrite is normally barium ferrite and the binder is polyethylene. The magnetic strength of the flexible sheet is preferably 0.6 Megagauss Oersteds. However, it has been found that a magnetic sheet having less than about 1.0 Megagauss Oersteds are used. Of course, other magnetic particles are used instead of the low cost ferrite, which is normally used in the commercial flexible permanent magnet sheets. The sheets can be easily machined by a punch press without losing any magnetic energy. As shown in FIGURE 3, the advantage of the present invention is that ring R is moved upwardly at the circumferential location where the wire is being pulled from the drum. This is illustrated as a flexed or lifted distance c. At the same time, the downward force on [th] the top surface 40 is maintained constant as indicated by arrows 70. Thus, the weight of the ring is not controlling payout of wire W. The magnetic force of the ring holds the ring down, except where it is being pulled upwardly allowing removal of wire W. As shown in FIGURE 4, bottom surface 62 includes a plurality of opposite polarity magnetic poles [[70]]72, 74 spaced in various patterns. Indeed, the top surface could have the same magnetic poles so the orientation of ring R is not important. As wire W is pulled from the drum, ring R remains fixed in its position on the top of the wire due to the tremendous amount of magnetic forces in areas, other than where ring R is being flexed upwardly to allow withdrawal of the wire. Consequently, ring R stays centered

in the proper position during the payout operation and controls movement of the wire. It is understood that a rigid flexible permanent magnet ring would also stay generally centered and would be an improvement over the existing rigid steel weighted ring. The improvement would be use of magnetic force instead of the weight of the ring to maintain the position of the ring on the top of the wire. Furthermore, a magnet metal ring would remain generally in the right position during payout. Ring R does not shift vertically as a rigid unit on the top of the wire as the prior art shown generally in FIGURES 5 and 6.

Please replace the paragraph beginning on page 9, line 3, with the following amended paragraph:

Referring now to the prior art shown in FIGURES 5 and 6, rigid metal ring 100 has a weight to hold it down against top surface 40 of the looped wire. Ring 100 has an outer periphery 102 and an inner periphery 104. As the wire is pulled from the drum as shown in FIGURE 5, there is a tendency to tilt rigid metal ring 100 and pull the ring away from surface 16 to create an enlarged gap [[b]]d that is conductive to a pop up e script tangle. As the wire is pulled from the drum, ring 100 orbits back and forth as indicated by arrows 110 to create the gap [[b]]d and also inconsistencies during the payout operation. This difficulty experienced in prior retainer rings is overcome by the present invention wherein a magnet ring is used. Preferably, the magnet ring is flexible to allow deformation as shown in FIGURE 3, so it will adapt to uneven wire stack top surfaces.